To All Interested Parties:

I am pleased to announce that on July 16, 2004, the Department of Medical Assistance Services (DMAS) submitted a waiver application to the Centers for Medicare and Medicaid Services to combine the Elderly and Disabled (E&D) and the Consumer Directed Personal Attendant Services (CD-PAS) Waivers. This combined program will be called the Elderly or Disabled with Consumer Direction (EDCD) Waiver. We anticipate this waiver will become effective in December 2004.

The EDCD Waiver was created in accordance with the 2003 Appropriations Act and Olmstead Task Force recommendations. The 2003 Appropriations Act directed DMAS to expand consumer-directed services as practicable, while protecting the health and safety of recipients. This directive is also supported by a recommendation made by the Virginia Olmstead Task Force. The EDCD Waiver is designed to provide individuals with flexible choices and it include provisions for family members or caregivers to deliver covered services when consistent with and not prohibited by federal law and regulation.

There are several promising components of the EDCD Waiver that we feel will enhance individuals' lives. The waiver will:

- Allow elderly or disabled waiver beneficiaries to receive both agency and consumer directed service options in one program. The EDCD Waiver will allow individuals to receive both agency and consumer-directed services as long as it is medically appropriate and duplicate services are not provided;
- Eliminate the service cap on the number of hours of consumer-directed personal assistance that an individual may receive per week;
- Allow individuals to direct their own care or have a spouse, adult child, parent, or guardian direct their care;
- Allow employed individuals to keep more of their earned income based on the earned income allowances in the current CD-PAS Waiver.

Interested Parties July 26, 2004 Page two

Interested individuals may download a copy of the waiver application by going to the DMAS website at www.dmas.virginia.gov. and by clicking on the Long-Term Care and Waiver Services subsection.

We look forward to working with you on implementing these exciting changes to enhance the lives of our E&D and CD-PAS Waiver beneficiaries. If you have any questions about the proposed EDCD Waiver, please contact Ms. Vivian Horn at (804) 786-0527 or by e-mail at Vivian.horn@dmas.virginia.gov.

Sincerely,

Cynthia B. Jones Deputy Director